

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 2
FOR THE REGULAR MEETING OF
TUESDAY, MAY 10, 2005 AT 10:00 A.M.
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

**ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS
RESOLUTIONS:**

ITEM-S500: FY 2006 Annual Action Plan – Consolidated Plan.

(See San Diego Housing Commission Report HCR05-17 and City of San Diego Consolidated Plan.)

(Continued from the meeting of 5/3/2005, Item 102, at the request of the City Manager for further review.)

SAN DIEGO HOUSING COMMISSION’S RECOMMENDATION:

Adopt the following resolution:

(R-2005-1065)

Approving the City’s federally required Fiscal Year 2006 Annual Action Plan for Community Development, and authorizing the Chief Executive Officer of the Housing Commission to submit the Plan, on behalf of the City, to the U.S. Department of Housing and Urban Development for its review and approval.

NOTE: This is a companion item to the FY 2006 Community Development Block Grant (CDBG) Program Funding.

ADOPTION AGENDA, DISCUSSION, HEARINGS
NOTICED HEARINGS:

ITEM-S501: Two actions related to Rancho Bernardo Maintenance Assessment District.

(Rancho Bernardo Community Area. District 5.)

(Continued from the meeting of May 3, 2005, Item 330, at the City Manager's request, to tabulate the ballots.)

NOTE: Public portion of hearing closed on 5/03/2005.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2005-846)

Approving Fiscal Year 2006 Budget for the Rancho Bernardo Maintenance Assessment District.

Subitem-B: (R-2005-847)

Considering the protests, approving Engineer's Report, confirming the assessments, and ordering the proposed maintenance, in the matter of the Rancho Bernardo Maintenance Assessment District.

CITY MANAGER SUPPORTING INFORMATION:

This action will increase the Fiscal Year 2006 assessments for the Rancho Bernardo Maintenance Assessment District (District). The District is located in the Rancho Bernardo Community Planning Area. It was established in July 1983 and was balloted for Proposition 218 compliance in 1997, and was balloted again in June-July 2004 to increase assessments for existing and proposed new maintenance areas. The June-July 2004 ballot failed by a margin of 51% opposed and 49% in favor. The Rancho Bernardo Maintenance Assessment District Citizens Advisory Committee initially decided to maintain service levels by drawing down reserves, while evaluating whether to ballot again. In October 2004, the Advisory Committee voted to reduce service levels to keep expenditures within revenues. In December 2004, the Advisory Community voted to ballot the District again. Per Resolution R-290239, since the District only failed by 2%, it is eligible for balloting again within one year of vote tabulation. This second ballot protest procedure would allow for a vote of property owners whether to: (1) raise the annual assessment per Equivalent Benefit Unit (EBU) from \$7.21 to \$15.00 in Fiscal Year 2006, (2) incorporate new areas into the district, and (3) authorize a cost indexing factor of an amount not to exceed San Diego CPI-U plus 3%.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)
NOTICED HEARINGS: (Continued)

ITEM-S501: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

The purpose is to increase income sufficiently to cover the current service level, maintain a minimum 10% operating reserve, and fund small planting projects and their future maintenance through the assessment of property owners. This District would provide maintenance for lands for landscaped medians, median tree up-lighting, hardscaped medians, median sweeping, landscaped rights-of-way, and hardscaped rights-of-way.

	<u>FY 2006</u>	<u>Maximum Authorized</u>
<u>EXPENSES:</u>		
Personnel	\$36,993	\$36,993
Contract	\$251,961	\$308,816
Incidentals	\$60,491	\$74,541
Energy and Utilities	<u>\$21,943</u>	<u>\$29,094</u>
TOTAL EXPENSES	\$371,388	\$449,444
 <u>REVENUES:</u>		
Assessments	\$364,424	\$449,505
City Contributions-Gas Tax	\$33,872	\$33,872
Interest	<u>\$5,000</u>	<u>\$5,000</u>
TOTAL REVENUES	\$403,296	\$488,377
 RESERVES	\$31,908	\$38,933

The proposed property owner assessment for Fiscal Year 2006 is \$15.00 per EBU. A maximum assessment authorized for Zone 1 of the District is \$18.50 per EBU. Zone 1 of the District contains a total of 24,294.81 EBUs. Zone 2 is not assessed.

FISCAL IMPACT:

It is proposed that the City will contribute \$33,872 from the Gas Tax Fund 302191 for the City's share of expenses incurred for maintenance of street medians comparable to similar areas throughout the City. All other costs are assessed to property owners in the District. The City owns 12 assessable parcels in the district, resulting in a General Fund assessment in Fiscal Year 2006 of \$1,933. The fiscal impact to the City is the same as it was when the ballot failed in June-July 2004.

Herring/Oppenheim/AWF

Staff: Mauro Garcia – (619) 685-1350

ADOPTION AGENDA, DISCUSSION, HEARINGS
SPECIAL HEARINGS:

ITEM-S502: Special Hearing - FY 2006 Community Development Block Grant (CDBG) Program Funding.

(See memorandum from P. Lamont Ewell dated 4/19/2005.)

(Continued from the meeting of 5/3/2005, Item 200, Subitem B, at the request of the City Manager for Council discussion and decisions regarding the distribution of available funds.)

NOTE: Testimony taken on 5/3/2005. The public testimony portion of the hearing was closed.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

Subitem-B: (R-2005-1081 Cor. Copy)

Approving and appropriating the funding allocations for the FY2006 CDBG Program, contingent upon certification of funds availability by the City Auditor and Comptroller, and that those projects funded are to be incorporated into the City's Fiscal Year 2006 CDBG Action Plan;

Authorizing the City Manager to execute the Fiscal Year 2006 Action Plan for San Diego Housing Commission submittal to the United States Department of Housing and Urban Development, pursuant to Resolution R-2005-1065, and upon its acceptance, to execute a grant agreement for Federal Fiscal Year 2005 CDBG, Emergency Shelter Grant (ESG), Housing Opportunities for People with AIDS (HOPWA), Home Investment Partnership (HOME), and American Dream Downpayment Initiative (ADDI) funds;

Authorizing the City Manager to negotiate and execute agreements with all programs approved for funding, contingent upon certification of funds availability by the City Auditor and Comptroller;

Authorizing the City Auditor and Comptroller to re-program funding from prior year CDBG funded projects to Fiscal Year 2006 projects, as adopted by the City Council, contingent upon certification of funds availability by the City Auditor and Comptroller;

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)
SPECIAL HEARINGS: (Continued)

ITEM-S502: (Continued)

Authorizing the Executive Director of the San Diego Housing Commission to negotiate and execute agreements with all funded programs whose allocations the City Manager asks the San Diego Housing Commission to administer, contingent upon certification of funds availability by the City Auditor and Comptroller;

Authorizing the City Manager to suspend the initiation of new HUD Section 108 Loans that rely on CDBG as a repayment source during Fiscal Year 2006.

CITY MANAGER SUPPORTING INFORMATION:

The purpose of the public hearing is to hear testimony on the FY 2006 Community Development Block Grant (CDBG) program. There are 161 CDBG applications. Each CDBG application has been assigned a number and the applicant will be invited to testify in numerical order. At the conclusion of the CDBG testimony, general program and other comments will be heard. The hearing will then be closed and the remainder of the item (subitem B) will be continued to May 10, 2005, at which time Council discussion and funding decisions will occur.

FISCAL IMPACT:

Funds are available from the Community Development Block Grant Program to cover the costs of these programs.

Frazier/Cunningham/ACP

Staff: Anita C. Pyle – (619) 236-6944
Michael D. Neumeyer – Deputy City Attorney